

State of South Dakota

EIGHTY-FIRST SESSION LEGISLATIVE ASSEMBLY, 2006

958M0484

HOUSE ENGROSSED NO. **SB 100** - 02/23/2006

Introduced by: Senators Apa, Bartling, Earley, Gant, Greenfield, Hanson (Gary), Koskan, Napoli, Smidt, and Sutton (Duane) and Representatives Putnam, Dennert, Glenski, Haverly, Hunhoff, Klaudt, Peters, Rausch, and Tidemann

1 FOR AN ACT ENTITLED, An Act to revise the distribution from certain constitutionally
2 created trust funds, to revise certain provisions regarding state fund condition statements,
3 and to declare an emergency.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

5 Section 1. That § 4-5-29.1 be amended to read as follows:

6 4-5-29.1. Pursuant to S.D. Const., Art. XII, § 5, the state investment officer shall determine
7 the market value of the health care trust fund as of December 31, 2003, and each calendar year
8 thereafter less the investment expenses transferred pursuant to § 4-5-30. The state investment
9 officer shall calculate an amount equal to four percent of that market value, without invading
10 principal, as eligible for distribution. For the purpose of this section, the term, principal, means
11 the sum of all contributions to the fund. Beginning with the distribution in fiscal year ~~2007~~
12 2008, the market value shall be determined by adding the market value of the trust fund at the
13 end of the sixteen most recent calendar quarters as of December thirty-first, and dividing the
14 sum by sixteen. Upon notice of that amount by the state investment officer, the state treasurer
15 shall transfer the amount from the health care trust fund to the state general fund as soon as



1 practicable after July first of the next fiscal year.

2 Section 2. That § 4-5-29.2 be amended to read as follows:

3 4-5-29.2. Pursuant to S.D. Const., Art. XII, § 6, the state investment officer shall determine
4 the market value of the education enhancement trust fund as of December 31, 2003, and each
5 calendar year thereafter less the investment expenses transferred pursuant to § 4-5-30. The state
6 investment officer shall calculate an amount equal to four percent of that market value, without
7 invading principal, as eligible for distribution. For the purpose of this section, the term,
8 principal, means the sum of all contributions to the fund. Beginning with the distribution in
9 fiscal year ~~2007~~ 2008, the market value shall be determined by adding the market value of the
10 trust fund at the end of the sixteen most recent calendar quarters as of December thirty-first, and
11 dividing the sum by sixteen. Upon notice of that amount by the state investment officer, the state
12 treasurer shall transfer the amount from the education enhancement trust fund to the state
13 general fund as soon as practicable after July first of the next fiscal year.

14 Section 3. That § 4-7-40 be amended to read as follows:

15 4-7-40. The commissioner of the Bureau of Finance and Management shall report, upon
16 request, a condition statement for any fund ~~that receives funding from the federal government~~
17 in the state treasury. The commissioner of the Bureau of Finance and Management shall provide
18 condition statements when requested by a legislative committee or a legislative committee chair.

19 Section 4. Whereas, this Act is necessary for the support of the state government and its
20 existing public institutions, an emergency is hereby declared to exist, and this Act shall be in
21 full force and effect from and after its passage and approval.